

To the Members of the California State Senate:

I am returning Senate Bill 1574 without my signature.

This bill provides interim standards for underground storage tanks storing biodiesel. As the Air Resources Board (ARB) moves forward with the adoption and implementation of the Low Carbon Fuel Standard (LCFS), the issue of the adequacy of underground storage tanks to safely store alternative fuels will continue to arise. This is especially true as we begin to realize our goal of new, lower carbon-content fuels being introduced into the marketplace.

We need to be prepared to handle this situation in a manner that neither impedes the deployment of alternative fuels, nor sacrifices our other environmental goals, such as improved water quality.

Therefore, I am directing the Secretary of the Environmental Protection Agency to coordinate with the State Water Resources Control Board and the ARB to assess this issue and that each entity, as appropriate, establish biodiesel and underground storage tank compatibility standards that can be consistently applied throughout the state.

Sincerely,

Arnold Schwarzenegger